



City of Chicago



R2014-353

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	5/28/2014
Sponsor(s):	Zalewski (23)
Type:	Resolution
Title:	Support of Class 6(b) tax incentive for 4040 W 40th St
Committee(s) Assignment:	Committee on Economic, Capital and Technology Development

**RESOLUTION
CLASS 6(B) REAL ESTATE TAX INCENTIVE
FOR THE BENEFIT OF
3835/4240, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AND
REAL ESTATE LOCATED GENERALLY AT
4040 WEST 40TH STREET IN CHICAGO, ILLINOIS
PURSUANT TO COOK COUNTY, ILLINOIS
REAL PROPERTY ASSESSMENT CLASSIFICATION ORDINANCE**

WHEREAS, the Cook County Board of Commissioners has enacted the Cook County Real Property Assessment Classification Ordinance, as amended from time to time (the "Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County and which is used primarily for industrial purposes; and

WHEREAS, the City of Chicago (the "City"), consistent with the Ordinance, wishes to induce industry to locate and expand in the City by supporting financial incentives in the form of property tax relief; and

WHEREAS, 3835/4240, LLC, a Delaware Limited Liability Company (the "Applicant"), owns all of the membership interests in 40 EAT LLC, a Delaware limited liability company (the "Property Owner") which Property Owner holds all right and title to certain real estate located generally at 4040 West 40th Street Chicago, Illinois 60632, as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, the Property Owner leased the Subject Property to General Trucks Parts & Equipment ("GTP&E") which operates thereon a facility that rebuilds truck and heavy equipment drive train products pursuant to a written lease (the "Lease") dated and commencing as of April 15, 2013; and

WHEREAS, the Applicant acquired all control and ownership of the Subject Property by acquiring all of the membership interests in the Property Owner on October 2, 2013 and pursuant to Article XXIX of the Lease has become the Landlord under the Lease; and

WHEREAS, the approximately one hundred thirty-five thousand (135,000) square foot industrial facility located on the Subject Property has been substantially rehabilitated by GTP&E; and

WHEREAS, the Applicant has filed with the Office of the Assessor of Cook County (the "Assessor") an eligibility application for a Class 6(b) tax incentive under the Ordinance; and

WHEREAS, the Subject Property is located within (i) the City of Chicago Enterprise Zone No. 2 (created pursuant to the Illinois Enterprise Zone Act, 20 ILCS 665/1 et seq., as amended, and pursuant to an ordinance enacted by the City Council of the City, as amended), and (ii) the Stevenson/Brighton Redevelopment Project Area (created pursuant to the Illinois Tax

Increment Allocation Redevelopment Act, 65 ILCS/11-74.4-1 et. seq., as amended, and pursuant to an ordinance enacted by the City Council of the City), and the purposes of Enterprise Zones and Redevelopment Project Areas are also to provide certain incentives in order to stimulate economic activity and to revitalize depressed areas; and

WHEREAS, it is the responsibility of the Assessor to determine that an application for a Class 6(b) classification or renewal of a Class 6(b) classification is eligible pursuant to the Ordinance; and

WHEREAS, the Ordinance requires that, in connection with the filing of a Class 6(b) eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 6(b) designation is located a resolution expressly stating that the municipality has determined that the incentive provided by Class 6(b) is necessary for development to occur on such real estate and that the municipality supports and consents to the Class 6(b) classification by the Assessor; and

WHEREAS, the intended use of the Subject Property will provide significant present and future employment; and

WHEREAS, notwithstanding the Class 6(b) status of the Subject Property, the redevelopment and utilization thereof will generate significant new revenues to the City in the form of additional real estate taxes and other tax revenues; now therefore,

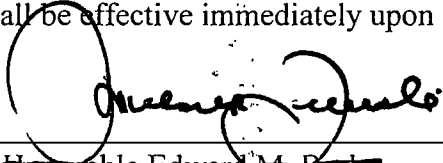
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: That the City determines that the incentive provided by Class 6(b) is necessary for the development to occur on the Subject Property.

SECTION 2: That the City supports and consents to the Class 6(b) classification by the Assessor with respect to the Subject Property.

SECTION 3: That the Clerk of the City of Chicago is authorized to and shall send a certified copy of this resolution to the Office of the Cook County Assessor, Room 301, County Building, Chicago, Illinois 60602 and a certified copy of this resolution may be included with the Class 6(b) eligibility application filed with the Assessor by the Applicant, as applicant, in accordance with the Ordinance.

SECTION 4: That this resolution shall be effective immediately upon its passage and approval.



Honorable Edward M. Burke
Alderman, 14th Ward

23RD WARD